



Response TO
TASK 5772
Request for info
Mike Bradley <mbradley@utah.gov>
11/03/0088

Lisbon Valley Bond Review

2 messages

Mike Bradley <mbradley@utah.gov>

Wed, Jan 15, 2014 at 3:36 PM

To: Lantz Indergard <Llndergard@lisbonmine.com>

Cc: Paul Baker <paulbaker@utah.gov>, Wayne Western <waynewestern@utah.gov>, Rebecca Doolittle <rdoolitt@blm.gov>, Jerry Mansfield <jmansfield@utah.gov>

Lantz,

After talking with Paul and sitting down and deciphering the bond calculations LVCM recently provided, we developed a list of issues we would like to have addressed before we finalize our review:

1. The surface area used in the bond calcs for Dump C appears small when compared to the footprints for Dumps A and B. Measurements taken from a 2013 aerial photo indicate the size to be 160+ acres. Please explain the use of 92 acres in the calculations.
2. The operator efficiency numbers (87-92%) used in the Fleet Production calculations is a bit higher than we generally use in our calculations (81-85%). This factor would have a ripple-down effect throughout the calculations. Please explain the use of the values LVCM used in the calcs.
3. The Fleet Availability number is also slightly higher than the Division typically uses, but may be acceptable.
4. Since no location for topsoil storage for Dump A has been identified yet, it is uncertain that it has been factored into the disturbed area values. Please verify.
5. The historic disturbance immediately north of the GTO pit has been left out of the disturbed area values as a pre-permit disturbance, and is not identified on the latest maps provided. Even though it is an historic disturbance, according to recent aerial photos it has been recently disturbed by mining activities (a dump), and has therefore become the responsibility of LVCM to reclaim. Please give this area a map ID and include it in disturbed area calculations.
6. Is the proposed South ILS pond reflected in the reclamation calculations?
7. Is Stage 5 of the heap leach being accounted for at this time?
8. The red numbers at the bottom of the summary sheet are called "Adjustments." It is understood that they are the differences between the existing bond amount and the LVCM-calculated 2013 and 2018 bond amounts. What is LVCM's expectations for these figures? Since they have been identified as potential excess bond values, the Division is not requesting any additional money be added to the current bond at this time, pending a final review and determination of the Centennial pit situation.

Thanks for your assistance with this.

—

Mike Bradley

Environmental Scientist III / Reclamation Specialist

Utah Division of Oil, Gas and Mining

M-F 7:30-4:30

801-538-5332

Lantz Indergard <Llndergard@lisbonmine.com>

Thu, Jan 16, 2014 at 9:05 AM

To: Mike Bradley <mbradley@utah.gov>

Mike:

Thanks very much for this. I'll look to turn this information around today or tomorrow...I need a little engineering help otherwise I could promise by day's end.

From: Mike Bradley [mailto:mbradley@utah.gov]

Sent: Wednesday, January 15, 2014 3:36 PM

To: Lantz Indergard

Cc: Paul Baker; Wayne Western; Rebecca Doolittle; Jerry Mansfield

Subject: Lisbon Valley Bond Review

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